

2021 Filing Season - Individual Income Tax Processing Treasurers

It's very important that you [click here](#) and review **ALL TARP Processes, Tasks, User Guides, and Job Aids**.

If you have any questions or uncertainties regarding the procedures, please contact us before you take any actions that might result in errors. We've provided a contact list on page 3.

WHAT'S NEW for 2021

- Please **DO NOT** deposit payments that are designated for another locality. Forward the payment(s) and any accompanying payment documents to Virginia Tax to be processed as Direct file.
- It is advised around the beginning of November of each year, localities perform a preliminary review of all tax due accounts that still have a balance to determine the following:
 1. Is the associated return posted in IRMS?
 - If the return is **not posted**, fax a list of these accounts to Virginia Tax at 804-367-3014.
 2. Has the account been paid directly to Virginia Tax?
 - If the account has a **"0" balance**, initiate an Exoneration request to have the liability removed.

The advance review of local tax due accounts with an outstanding balance will ultimately streamline the uncollectible process by allowing problems to be identified (and resolved) before the local uncollectibles must be submitted.

CRITICAL REMINDERS

Deposit of Payments

- As a reminder, per [Section 2.2-806](#), Treasurers receiving state income tax payments, whether from taxpayers or from the Commissioner of the Revenue, shall deposit the payments within one banking day of receipt.

Exonerations versus Uncollectibles

- The Uncollectible process should be used for accounts that still have a **true outstanding local liability** at the end of the calendar year.
 - It is recommended that ALL localities use EESMC to submit uncollectibles. If you submit estimated payments using EESMC, you should also submit your uncollectibles via EESMC.
 - If you use our **IRMS** online system, **do not select the submit** button if you have accounts that cannot be entered. Fill out the taxpayer information on page 4 of the Uncollectible transmittal form and fax it to 804-367-3014. **Virginia Tax will let you know when you can select the final SUBMIT button.** Per TARP procedures, you must contact Virginia Tax **first** to have these accounts researched and to provide you with instructions on how to handle these accounts.
- **Prior to the end of year**, if your locality has a pending liability on an account that has already been paid directly to Virginia Tax, an **Exoneration** is the correct method to remove the locality's liability and to correct the taxpayer's account in IRMS.
 - When a locality chooses not to process an Exoneration, taxpayers receive a local paid credit in IRMS as well as the actual direct payment they made to Virginia Tax. IRMS may issue a refund if the local payment is not reversed and this is done through the Exoneration process.
 - The last day to submit Exoneration requests is normally scheduled around mid-November to ensure that all Exoneration requests are fully processed prior to the end of the year.
 - We cannot go back to a previous year to process an Exoneration.

Local Tax Due Responsibilities

- A local filed tax due return is handled by the locality, therefore deposits and billing are also the responsibility of the locality.
 - If your locality chooses not to bill taxpayers, please submit tax due returns with or without payments to Virginia Tax for processing and/or billing.
 - Do not create assessments for \$4.50 and under.
Task: [Compute and Record the Amount Due Using Form 759](#)

EESMC Local Estimated Submissions

- Continue to refer to the TARP Process: "Handling Local Estimated Payments" and the TASK: "Submit Estimated Payments via Electronic Transmission," located here: [Locality TARP](#).
- Always monitor the processing of your local estimated files by reviewing these weekly reports:
 - **56.0 Report** (Local Estimated Electronic Files Totals Report)

- **291.0 Report** (EESMC Secure Transfer File Report)
- **IRMS** - remember, you have access to IRMS to verify that your estimated payments have been received and posted correctly.
 - If a file is returned to you for errors, the errors **must** be corrected and the file re-uploaded to Virginia Tax's secure server.
 - Data related to resolving file errors may be found in the [EESMC Local Estimated Payment Files - Error Messages Job Aid](#) in Locality TARP.
 - Please **do not send us your Local Estimated File Transmittal until you see that the associated file upload was successful.**
 - If your file is not received, you will not be given credit/advised for the local estimated assessment.

CONTACTS (please use email unless it's an emergency)

Contact irms.support@tax.virginia.gov for any technical problems related to missing files, rejected files, or any problem outside of Cardinal issues with reconciling your transactions.

Lynn Pulley-Paine	Business Analyst Lynn.Pulley-Paine@tax.virginia.gov 804.367.0020
Wesley Miles	Operations Supervisor Wesley.Miles@tax.virginia.gov 804.367.8216
Bertha Baskerville	Local Processor Bertha.Baskerville@tax.virginia.gov 804.367.0271
Heather Cole	Processing Manager Heather.Cole@tax.virginia.gov 804.367.1129